



Michael O. Leavitt
Governor
Ted Stewart
Executive Director
James W. Carter
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

*RC replaced
6-30-2003*

August 11, 1997

TO: Board of Oil, Gas and Mining

THRU: Mary Ann Wright, Associate Director *M. A. Wright*

THRU: D. Wayne Hedberg, Permit Supervisor *DWH*

FROM: Anthony A. Gallegos, Senior Reclamation Specialist *aa*

RE: Request for Board Approval, Amount and Form of Reclamation Surety, Georgia Pacific Corporation (GP), Eagle Canyon Gypsum Mine, M/015/050, Emery County, Utah

The Division seeks Board approval of the amount and form of reclamation surety provided by GP for the Eagle Canyon Gypsum Mine (a.k.a. San Rafael Gypsum Quarry), located in Emery County, Utah. The reclamation surety is being increased at this time due to an amendment to the existing large mine plan. The amendment adds approximately nine acres of new mining area. The form of surety is a rider to the surety bond currently posted with the Division. The surety bond and rider are with Aetna Casualty and Surety Company. The surety bond jointly lists the Division and BLM. The surety amount of \$73,000 meets or exceeds the minimum bond amount of \$2,000 per acre required by the BLM. The surety company (now Travelers Casualty and Surety Company) is listed on the July 1, 1997, Federal Register listing of acceptable surety companies.

Attached for your review are copies of the following documents:

1. Summary checklist
2. Executive Summary
3. Location Map
4. Reclamation surety estimate
5. Reclamation Contract (Form MR-RC)
6. Surety bond (Attachment B - MR Form 5)

Thank you for your time and consideration of this request.

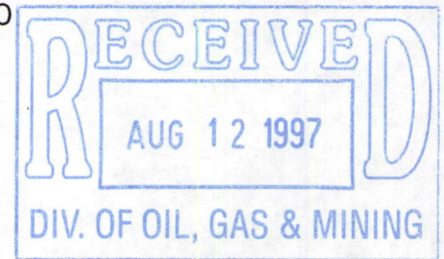
Attachments
M015050.brd

File-Number M/015/050

Effective Date Aug 28, 1997

*RC replaced
6-30-03*

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940



RECLAMATION CONTRACT
---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>M/015/050</u>
(Mineral Mined)	<u>Gypsum</u>
"MINE LOCATION":	
(Name of Mine)	<u>San Rafael - Eagle Canyon Quarry</u>
(Description)	<u>T22S, R8E, Secs 24 & 25</u>
	<u>T22S, R9E, Secs 19 & 30</u>
	<u>Emery County, Utah</u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>34.5</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>Georgia Pacific Corporation</u>
(Address)	<u>P.O. Box 30006</u>
	<u>Las Vegas, NV 89036</u>
	<u>(702) 643-8100</u>
(Phone)	

"OPERATOR'S REGISTERED AGENT":

(Name)

Bob Shajary

(Address)

Georgia-Pacific Corp.

P.O. Box 30006

N. Las Vegas, NV 89036

(Phone)

702-643-8100

"OPERATOR'S OFFICER(S)":

David R. Fleiner-Vice President

Bob Shajary - Manufacturing Center
Manager

"SURETY":

(Form of Surety - Attachment B)

Surety Bond - \$73,000 DOGM & BLM

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Aetna Casualty & Surety Co.

Bond #

"SURETY AMOUNT":

(Escalated Dollars)

\$73,000

"ESCALATION YEAR":

2002

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Georgia Pacific Corporation the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/015/050 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated Nov. 19, 1990, and the original Reclamation Plan dated Nov. 19, 1990. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance

with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the

parties involved, and any modification must be approved in writing by the parties involved.

14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Georgia Pacific Corporation
Operator Name

By: Bob Shajary
Authorized Officer (Typed or Printed)

B. Shajary
Authorized Officer's Signature

8/9/97
Date

SO AGREED this 27th day of August, 1997

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY Dave D. Lauriski
Dave D. Lauriski, Chairman
Utah State Board of Oil, Gas and Mining

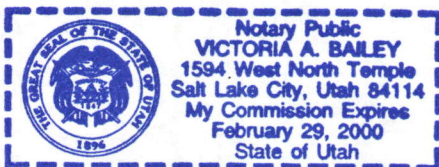
DIVISION OF OIL, GAS AND MINING:

By Lowell P. Braxton for
James W. Carter, Director

8/28/97
Date

STATE OF UTAH)
) ss:
COUNTY OF SALT LAKE)

On the 28th day of August, 19 97, personally
appeared before me Lowell P. Braxton, who being
duly sworn did say that he/~~she~~, the said Lowell P. Braxton
Acting is the Director of the Division of Oil, Gas and Mining, Department of Natural
Resources, State of Utah, and he/~~she~~ duly acknowledged to me that he/~~she~~
executed the foregoing document by authority of law on behalf of the State of
Utah.



Victoria A. Bailey
Notary Public
Residing at: SALT LAKE CITY, UTAH

February 29, 2000
My Commission Expires:

OPERATOR:

Georgia Pacific Corporation

Operator Name

By Bob Shajary
Manufacturing Center Manager
Corporate Officer - Position

8/9/97

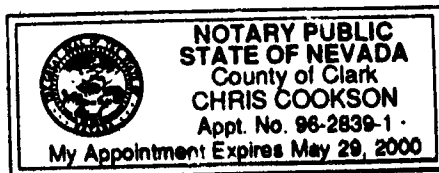
Date

[Signature]

Signature

STATE OF Nevada)
) ss:
COUNTY OF Clark)

On the 9th day of August, 19 97, personally
appeared before me Bob Shajary who being by
me duly sworn did say that he/she, the said Bob Shajary
is the Manufacturing Center Mgr. of Georgia-Pacific Corp.
and duly acknowledged that said instrument was signed on behalf of said company
by authority of its bylaws or a resolution of its board of directors and said
Bob Shajary duly acknowledged to me that said
company executed the same.



Chris Cookson
Notary Public
Residing at: LAS VEGAS, NV
CLARK COUNTY

MAY 29, 2000
My Commission Expires:

ATTACHMENT "A"

<u>Georgia-Pacific Corporation</u>	<u>San Rafael - Eagle Canyon Quarry</u>
Operator	Mine Name
<u>M/015/050</u>	<u>Emery</u> County, Utah
Permit Number	

The legal description of lands to be disturbed is:

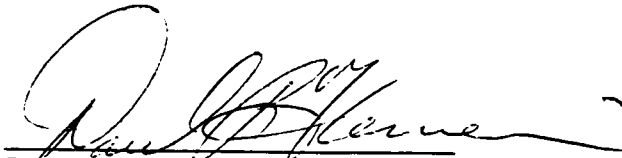
Approximately 34.5 acres located within:

SE/4, SE/4 Section 24, Township 22 South, Range 8 East
NE/4, SE/4, Section 24, Township 22 South, Range 8 East
NE/4, NE/4, Section 25, Township 22 South, Range 8 East
SW/4, SW/4, Section 19, Township 22 South, Range 9 East
NW/4, SW/4, Section 19, Township 22 South, Range 9 East
NW/4, NW/4, Section 30, Township 22 South, Range 9 East

SIGNATORY AUTHORIZATION

Pursuant to the requirements of the United States Environmental Protection Agency (USEPA) or the appropriate States, or local regulatory agencies, the Plant Managers of the following Georgia-Pacific plants are hereby authorized to sign all permit applications and compliance reports, and other environmental documents required or requested by the regulatory agencies.

To be signed by a "responsible official" or "duly authorized representative". As responsible official or duly authorized representative, the Plant Manager is expected to consult with the assigned corporate field environmental engineer in exercising this authorization.

A handwritten signature in dark ink, appearing to read "David R. Fleiner", is written over a horizontal line.

David R. Fleiner

Vice President - G-P Gypsum Corp.

27 September 1996
Date

Dear Customer:

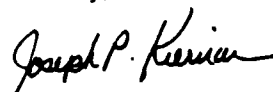
In April of 1996 the property casualty business of The Travelers Indemnity Company and The Aetna Casualty and Surety Company and their property casualty affiliates came together under the Travelers umbrella. Effective July 1, 1997, we are changing the name of various property casualty affiliates. This change, which affects your bond, is being made to strengthen the identification of these companies as members of Travelers Property Casualty.

Below the cut line is a rider to amend your bond. Please attach the rider to your bond and send a copy of this rider to the obligee(s) on the bond. This name change has no affect on the premium for your bond and does not change the coverage provided under your bond.

We are in the process of updating our systems to reflect the changes in company names. In the meantime, you may notice that the former company name will display on some bills and other documents. Until this process is completed, the chart below can be used to determine the new company name should any document display a name on the "Former Name" list.

If you have any questions, please contact your agent or insurance representative.

Sincerely,



**THIS ENDORSEMENT/RIDER CHANGES THE POLICY OR BOND.
PLEASE READ IT CAREFULLY.**

INSURER/SURETY AMENDMENT ENDORSEMENT/RIDER

The name of your Insurer or Surety is changed from the former name to the new name listed below:

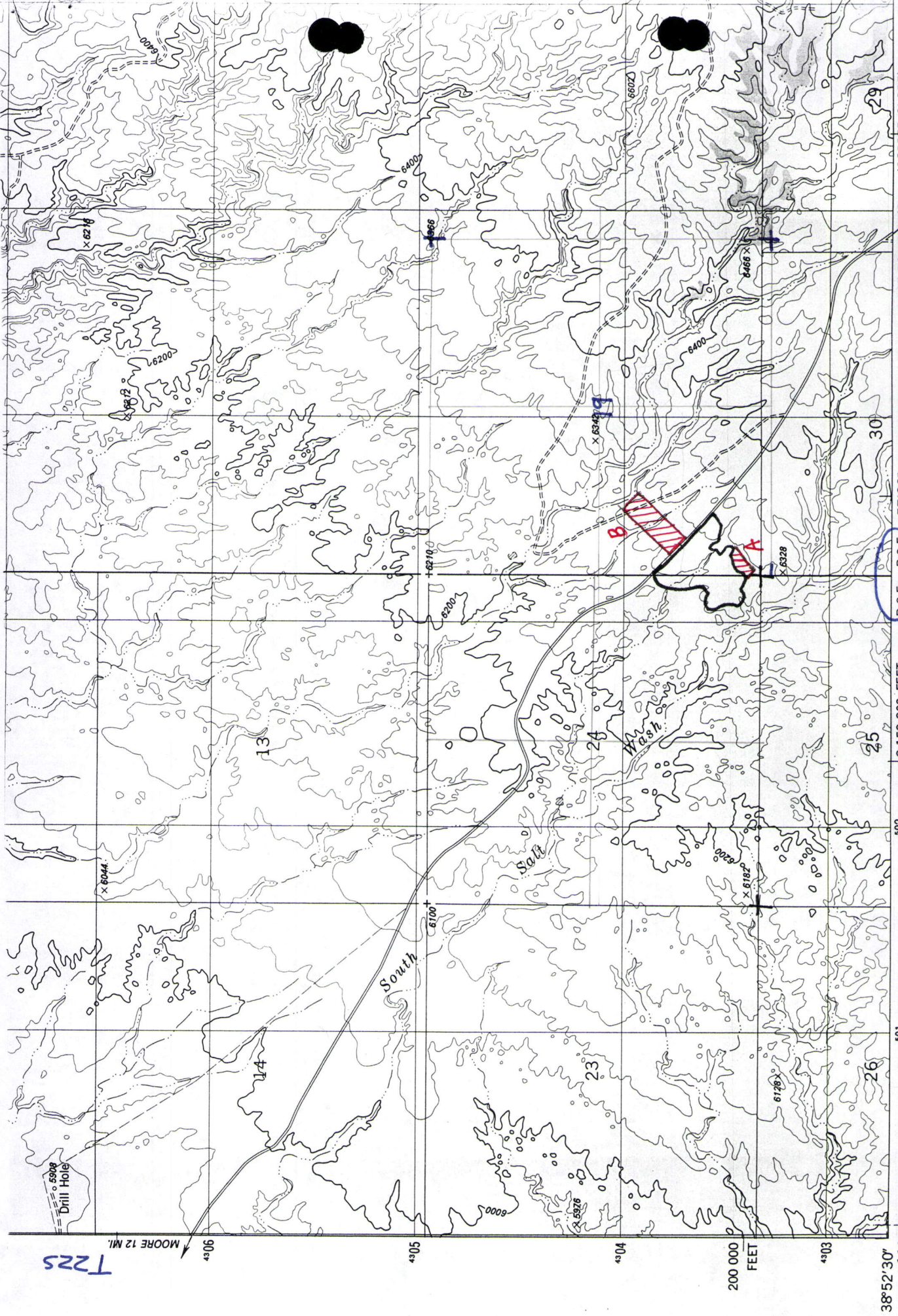
<u>Former Name</u>	<u>New Name</u>
The Aetna Casualty and Surety Company	Travelers Casualty and Surety Company*
Aetna Casualty & Surety Company of America	Travelers Casualty and Surety Company of America*
Aetna Casualty & Surety Company of Illinois	Travelers Casualty and Surety Company of Illinois**

COMPANY ADDRESS:

*One Tower Square
Hartford, Connecticut 06183

**2500 Cabot Drive
Lisle, Illinois 60532

This name change endorsement/rider does not alter the coverage provided by this policy or bond and has no affect on the premium for this policy or bond. This name change is effective on the renewal date of your bond.



JIG BEND DRAWN
3761.1 SE

Mapped, edited, and published by the Geological Survey
Control by USGS and NOS/NOAA
Topography by photogrammetric methods from aerial photographs
taken 1974. Field checked 1976. Map edited 1983
Projection and 10,000-foot grid ticks: Utah
coordinate system, central zone (Lambert conformal conic)
1000 meter National Transverse Mercator

APPROXIMATE LOCATIONS
OF
ACQUEDUCT AREAS
A + B

3 MI. TO 1-70 505 (COPPER GLOBE)
3667 IV SW
SCALE 1:24 000
SID AND CHARLEY QUAD
M/015/050
GEORGIA PACIFIC CORPORATION
CONTOUR INTERVAL 40 FEET

